

U. S. Department of Housing and Urban Development Washington, D.C. 20410-5000

OFFICE OF THE ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING January 19, 2001

Mr. Denny West
Executive Director
Housing Authority of Portland
135 SW Ash Street, Suite 600
Portland, OR 97204-3540

Re: Moving to Work (MTW) Agreement

Dear Mr. West:

Thank you for your letter of November 7, 2000, concerning your request that HUD recognize the time that was lost in beginning the implementation of the Housing Authority of Portland's (HAP's) MTW program. From the start of the MTW demonstration, HAP has had very ambitious goals for its program, which HUD fully supports. HAP's program is also one that promises to produce some important lessons both for HAP and HUD with respect to the streamlining and improved efficiency of the public housing and Section 8 voucher programs.

In your letter, and in the other discussions we have had on this matter, you have made a very strong case that significant time under your 5-year agreement has been lost unexpectedly due to the need for you to address certain matters that will help to form the foundation for a successful program. In particular, I understand that HAP has needed extra time to upgrade HAP's management systems, especially its computer systems, including special problems related to Y2K compliance. HAP has also needed extra time to conduct the activity-based cost analysis that will form the basis for much of HAP's activities under MTW.

Due to these considerations, I believe that HAP has lost significant time in implementing its MTW program. Therefore, I am extending the term of HAP's MTW

Agreement with HUD through March 31, 2006. To indicate your agreement with this extension, please countersign it in the space provided below and return it to me. Good luck with your program. HUD looks forward to seeing the results.

Sincerely,

Harold Lucas

Assistant Secretary

Office of Public and Indian Housing

Agreed: Denny West 1/24/01

Denny West Date